*42. *[The questioners (Dr. Murli Manohar Joshi and Shri Raj Mohinder Singh Majitha) were absent. For answer vide page 30.]*

Bilateral agreement with China in oil sector

*43. SHRIMATI MOHSINA KIDWAI:†
SHRI VIJAY J. DARDA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether India has entered into a bilateral agreement with China aiming at co-operation between the two nations on exploration and production of oil, downstream products, strategic storage and stockpiling, research and development, conservation and promotion of environment-friendly fuels; and

(b) if so, what distinct advantage India would be getting through this agreement annually beginning from year 2006 towards fulfilling the ever-increasing demand for petroleum products, etc. in quantitative terms and provision of qualitative environment-friendly fuels like coal-bed methane, coal-gasification and hydrates, etc.?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA): (a) to (b) A Statement is laid on the Table of the House.

Statement

(a) and (b) Yes, Sir. A Memorandum for Cooperation in the field of Oil and Natural Gas between the National Development & Reforms Commission of the Peoples' Republic of China and the Ministry of Petroleum and Natural Gas of the Republic of India was signed on 12th January, 2006. In addition, GAIL (India) Ltd., have signed three MoUs with SINOPEC, CNOOC (International) Limited and Beijing Gas Company Ltd., respectively, while the Directorate General of Hydrocarbons has signed an MoU with the Research Institute of Petroleum Exploration and Development (RIPED) of China to enhance cooperation on oil and gas related issues of mutual interest and to exchange information in the development of policy on oil and gas exploration and production. Again, OVL have signed an agreement with CNODC Ltd., the international arm

†The question was actually asked on the floor of the House by Shrimati Mohsina Kidwai.

of the National Oil Company, CNPC Ltd., for co-operation in the field of E&P activities in third countries.

The areas of cooperation envisaged in the Memorandum of Cooperation entered into between the two Governments are as follows:

(i) promote cooperation between the companies and organisations of both countries in oil and natural gas production, execution of large engineering projects, and manufacturing, upgradation and supply of drilling equipment and petrochemical processing units;

(ii) encourage bilateral cooperation for undertaking joint exploration and production initiatives for oil and natural gas resources in third countries;

(iii) encourage cooperation on basic and applied R&D;

(iv) encourage bilateral cooperative relationship in the areas of crude oil trade and transportation and to study the development of the Asian crude oil and oil products markets, and the measures required to stabilize the Asian oil markets with the aim of enhancing the influence of both nations in the world crude oil pricing mechanism and promoting a stable supply and demand mechanism in the Asian energy market;

(v) encourage exchange of information and experience on commercial stockpiling of oil between the companies and organizations of both countries;

(vi) encourage collaboration between the companies and organisations of both countries in heavy oil;

(vii) encourage cooperation in areas such as coal bed methane, underground coal gasification and gas hydrates; and

(viii) exchange of information on policies and programmes on the sustainable development of oil and natural gas industries.

The memorandum provides for the setting of a Joint Working Group at official level to identify and pursue these areas of cooperation.

On the basis of the bilateral Government-to-Government MoU and the company-to-company MoUs which have been finalised or are presently under consideration, India and China, as principal consumers of hydrocarbon resources in Asia, have committed themselves to a long-

term and substantial partnership to enhance each others' capabilities and resources and to jointly pursue their interests at the international, regional and bilateral fora. In this endeavour, the two countries are bringing together their technical, financial and human resources in order to obtain their common interests of serve their national energy security interests.

The specific areas in which this cooperation will manifest itself in the coming years are:

(i) participation in upstream and downstream projects in each others' countries;

(ii) pursue investment opprtunities in third countries by submitting joint bids for equity participation in oil producing fields or seeking E&P contracts;

(iii) enhancing domestic capabilities and resources through joint pursuit of R&D proposals particularly in the areas of increased oil recovery and enhanced oil recovery in order to boost domestic production;

(iv) mobilise national capacities in the areas of Engineering and Petroleum services through joint ventures both in each others' countries and in third countries;

(v) bring together their significant position in the international oil market by exploring the possibility of joint purchases of crude oil and gas;

(vi) pursue studies jointly to bring about important changes in the organisation and functioning of the Asian Oil Markets in order to make them more transparent and more reflective of the realities of the contemporary oil scenario in which Asian consuming countries are the consumers of the bulk of Asian oil production and yet have to function in a market environment that is non-transparent and iniquitous;

(vii) pursue research and technology development projects in the area of unconventional energy resources such as the development of Coal Bed Methane (CBM) and Gas Hydrates;

(viii) participate in transnational oil and gas pipelines projects to transport hydrocarbon resources from Asian producing centres to the principal Asian consuming countries; and

(ix) pursue joint projects in the areas of conservation and development Of environment friendly fuels.

The proposed cooperation between India and China in the hydrocarbon sector is wide ranging and promises to yield enormous, benefits to the two countries on account of their pulling together their formidable resources and acting jointly in pursuit of their common interests.

SHRIMATI MOHSINA KIDWAl: Sir, I wanted to know the number of projects that India and China have agreed to bid jointly and also the names of the countries where these are to be taken up tor exploration and production of oil and the benefit likely to be accrued through these joint projects,. And, whether the CNPC and ONGC both are looking to,bid in Dregon-Khzak Oil Producer Nation's Company Limited, If so, the details

SHRI MURLI DEORA: Sir, India and China are going to be one of the largest consumers of oil and natural gas. So, it was decided that we should have an effective cooperation with them and that is why several
agreements have been signed with them and, specially, with the oil companies in China. We have bid together in several countries. In several
countries such as Sudan we have tried t*o* have exploration together. In other countries, such as Kazakasthah, Nigeria etc., where we competed, we lost the blocks, So it has been decided to have a. proper energy security to cooperate with China in these areas and various other agreements signed with China.

SHRIMATI MOHSINA KIDWAI: Sir, both the countries are consuming far more oil than they produce. According to Petrol World, at present China imports over 30 per cent of its oil regulerment. It is consuming 5.46 million barrels a day i.e., seven per cent of world's demand India imports 75 percent of its oil requirements and is consuming up to 2 million parrels a day According to the Petroleum Ministry, OVL has a target to acquire 20 million metric tonnes of oil and oil-equivalent gas by 2010. So, I would like to know from the hon. Minister whether these Joint ventures would be helpful in achieving this target.

SHRI MURLI DEORA: The hon. Member is very correct that there is a huge demand for oil and China is out in the market. It will be good for India and China to have cooperation with each other on this.

As far as the OVL is concerned, we have joint collaboration with other companies including Chinese in Sudan, Vietnam, and Russia. And we get more than five million tonnes of oil through them. It will be a good idea if the Indian companies like the Indian Oil Corporation and other companies explore oil and buy fields/properties abroad and explore oil for energy security of the country.

SHRI VIJAY J. DARDA: Sir, I would like to know from the Minister which are the countries with which India has bilateral agreements for oil exploration and production. I would also like to know whether the quality and the nature of crude oil thus becoming available to India can be refined in our refineries. If so whether the installed capacity of the existing refining units in India can take this load.

SHRI MURLI DEORA: Sir, we have bilateral agreements and MoUs with counterpart Governments in Venezuela, Romania, South Africa, Turkey, South Korea, and China, and these MoUs are not commercial in nature. Our public sector companies like OVL and GAIL have commercial agreements with overseas companies in respect of oil production in Russia, Sudan, Vietnam and Syria. The quantity of oil and gas being produced by the Indian PSUs in the above four countries is, approximately, five million tonnes oil, and oil-equivalent of gas.

As far as the refining capacity is concerned, we have more refining capacity than the oil produced here, and the oil which we import from the joint ventures abroad can be easily refined in our refineries.

श्री मुख्तर अब्बास नकवी: माननीय सभापति महोदय,मैं आपके माध्यम से माननीय मंत्री जी से जानना चाहता हूँ कि समय समय पर देश के अलग-अलग हिस्सों से तेल भंडार होने की सूचनाएं आती रहती है। मैं माननीय मंत्री जी से जानना चाहता हूँ कि देश के किन-किन भागों में तेल भंडार की या तेल की खोज की कार्यवाही हो रही है और किस स्तर पर हो रही है? इसके अतिरिक्त जिन जगहों पर या जिन स्थानों पर तेल की खोज का प्रयास हो रहा है,उसमें कितनी सफलता मिली है और किन स्थानों पर अभी और प्रयास किया जाने वाला है?

श्री मुरली देवरा:महोदय, काफी जगह खोज की कोशिश की जा रही है और कृष्णा-गोदावरी में उस साल दुनिया का सबसे बड़ा गैस का भंडार मिला है। कुछ समय पहले राजस्थान,बाड़मेड़ में ऑयल का सबसे बड़ा भंडार मिला है। इसके अलावा बहुत सी जगहें हैं,जहां पर इस प्रकार की कोशिश की जा रही है।

SHRI AMAR SINGH: Sir, I would like to know from the hon. Minister what is the component of cess in the price per litre of petrol and other products. What is the amount collected so far by way of cess? Is there any proposal to withdraw the cess?

SHRI MURLI DEORA: You should put that question to the hon. Finance Minister, not to me.

MR. CHAIRMAN: The Finance Minister is also here. Next Question.

SHRI MURLI DEORA: So, this question can be transferred.

*44. *[The questioner (Shri Pramod Mahajan) was absent. For answer vide page 32]*

हिमालय क्षेत्र में गैस और तेल की खोज

*45. **श्री कृपाल परमार**: क्या पेट्रोलियम और प्राकृतिक गैस मंत्री यह बताने की कृपा करेंगे कि:

क्या यह सच है कि सरकार का ध्यान अब हिमालय में गैस एवं तेल की खोज की तरफ गया है क्योंकि इस क्षेत्र से मिले आंकड़ों के विश्लेषण से वैज्ञानिक इस निष्कर्ष पर पहुंचे हैं कि वहां पेट्रोल-एवं गैस मिलने की संभावनाएं प्रबल हैं; और

यदि हां,तो तत्संबंधी ब्यौरा क्या है तथा उस पर कितना व्यय होगा और यह कितने वर्ष का कार्यक्रम है और कब तक सफलता मिलने की संभावना है?

पेट्रोलियम और प्राकृतिक गैस मंत्री (श्री मुरली देवरा): (क) से (ख) सदन के पटल पर एक विवरण रख दिया गया है।

विवरण

(क) और (ख) हिमालयी क्षेत्र में कच्चे तेल और प्राकृतिक गैस के लिए अन्वेषण आयल एंड नेचुरल गैस कार्पोरेशन लिमिटेड (ओएनजीसी) की स्थापना के बाद से विशेष रुप से हिमाचल प्रदेश राज्य में 1956 में आरंभ हुआ। संपूर्ण हिमालय तराई क्षेत्र,सुन्दर नगर के पास चौमुखा में ज्ञात सतही तेल प्रदर्शनी और ज्वालाजी मंदिर, ज्वालामुखी के पास ऐतिहासिक गैस प्रदर्शनों के कारण सक्रिय अन्वेषण के अंतर्गत रहे हैं।

स्थापना के बाद से ओएनजीसी ने हिमाचल प्रदेश,जम्मू और कश्मीर,पंजाब और उत्तर प्रदेश राज्य में आने वाले हिमाचल की तराई क्षेत्र में 8,198 ग्राउंड लाइन किलोमीटर (जीएलके) द्विआयामी भूकंपीय आंकड़े प्राप्त किए हैं और 19 कूपों का वेधन किया है। तथापि, अभी तक कोई वाणिज्यिक सफलता हाथ नहीं लगी है। दसवीं योजनावधि के दौरान ओएनजीसी ने इस क्षेत्र